

ANDES CENTRAL SCHOOL DISTRICT 11-1, AVON SCHOOL DISTRICT 04-1, BONESTEEL-FAIRFAX SCHOOL DISTRICT 26-5, CORSICA SCHOOL DISTRICT 21-2, FAITH SCHOOL DISTRICT 46-2, GREGORY SCHOOL DISTRICT 26-4, KIMBALL SCHOOL DISTRICT 07-2, MEADE SCHOOL DISTRICT 46-1, MITCHELL SCHOOL DISTRICT 17-2, WHITE LAKE SCHOOL DISTRICT 01-3  
QUALIFIED ZONE ACADEMY BONDS, SERIES 2005

**BOND INFORMATION STATEMENT**

State of South Dakota  
SDCL 6-8B-19

Return to: Secretary of State  
State Capitol  
500 E. Capitol  
Pierre, SD 57501-5077

FILING FEE: \$1.00

TELEPHONE: (605) 773-3537

Every public body, authority, or agency issuing any general obligation, revenue, improvements, industrial revenue, special assessment, or other obligations of any type shall file with the Secretary of State a bond information statement concerning each issue of obligations.

1. Name of issuer: Andes Central School District 11-1, Avon School District 04-1, Bonesteel-Fairfax School District 26-5, Corsica School District 21-2, Faith School District 46-2, Gregory School District 26-4, Kimball School District 07-2, Meade School District 46-1, Mitchell School District 17-2, White Lake School District 01-3, issuing the issue of securities jointly pursuant to the joint exercise powers of the State of South Dakota.
2. Designation of issue: **QUALIFIED ZONE ACADEMY BONDS, SERIES 2005**  
(constituting Capital Outlay Certificates issued jointly by the Andes Central School District 11-1, Avon School District 04-1, Bonesteel-Fairfax School District 26-5, Corsica School District 21-2, Faith School District 46-2, Gregory School District 26-4, Kimball School District 07-2, Meade School District 46-1, Mitchell School District 17-2, White Lake School District 01-3)
3. Date of issue: June 29, 2005.
4. Purpose of issue: To provide funds for the school districts jointly issuing the Bonds to pay costs of the rehabilitation and repair of existing facilities of each of the school districts jointly issuing the Bonds which qualify as qualified zone academies within the meaning of Section 1397E(d)(4) of the Internal Revenue Code of 1986, as amended (the "Code"), the provision of equipment at such existing facilities and the development of course materials and training for use at such existing facilities of the District for capital improvements as permitted by Section 1397E of the Code.
5. Type of bond: Taxable (qualified zone academy bonds within the meaning of Section 1397E(d)(4) of the Code).
6. Principal amount and denomination of bond: \$2,025,000.00 (a single fully registered bond certificate).

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S.D. SEC. of STATE

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ANDES CENTRAL SCHOOL DISTRICT 11-1, AVON SCHOOL DISTRICT 04-1, BONESTEEL-FAIRFAX SCHOOL  
DISTRICT 26-5, CORSICA SCHOOL DISTRICT 21-2, FAITH SCHOOL DISTRICT 46-2, GREGORY SCHOOL  
DISTRICT 26-4, KIMBALL SCHOOL DISTRICT 07-2, MEADE SCHOOL DISTRICT 46-1, MITCHELL SCHOOL  
DISTRICT 17-2, WHITE LAKE SCHOOL DISTRICT 01-3  
QUALIFIED ZONE ACADEMY BONDS, SERIES 2005

7. Payment dates of principal and interest:

The Bonds do not bear interest and have only principal payments because the Bonds are “qualified zone academy bonds” within the meaning of Section 1397E(d)(4) of the Code and the owners of the Bonds which are “eligible taxpayers” within the meaning of Section 1397E(d)(6) of the Code will be entitled to claim a federal tax credit on the outstanding principal amount of the Bonds owned by such eligible taxpayer on each anniversary date of the date of issuance of the Bonds as permitted by Section 1397E(d)(4) of the Code. The Bonds will have a bullet maturity, with no amortization of the principal amount of the Bonds prior to the stated maturity date, and the payment date of the principal amount of the Bonds will be the stated maturity date occurring on the sixteenth (16<sup>th</sup>) anniversary date of the date of issuance of the Bonds. The school districts jointly issuing the Bonds will be required set aside funds annually in a separate account for the first ten (10) years after the date of issuance of the Bonds (as described in paragraph 8 below), commencing on the first anniversary date of the date of issuance of the Bonds and ending on the tenth anniversary date of the date of issuance of the Bonds, such set aside funds and the investment earnings thereon to be used to pay the principal amount of the Bonds when due on the stated maturity date of the Bonds.

8. Amortization schedule:

Bullet maturity; with no amortization of the principal amount of the Bonds prior to the stated maturity date, the stated maturity date occurring on the sixteenth (16<sup>th</sup>) anniversary date of the date of issuance of the Bonds. The school districts jointly issuing the Bonds will be required set aside funds annually in a separate account for the first ten (10) years after the date of issuance of the Bonds (as described below), commencing on the first anniversary date of the date of issuance of the Bonds and ending on the tenth anniversary date of the date of issuance of the Bonds, each school district’s annual amounts to be so set aside relating to such school district’s liability for a portion of the aggregate principal amount of the Bonds, such set aside amounts, together with the investment earnings thereon, to be used to pay the aggregate principal amount of the Bonds when due on the stated maturity date of the Bonds.

<b>Andes Central School District 11-1</b>	<b>\$5,527.41</b> on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.
<b>Avon School District 04-1</b>	<b>\$13,818.52</b> on June 29, 2006 and each June 29 thereafter through and including June 29, 2021
<b>Bonesteel-Fairfax School District 26-5</b>	<b>\$11,054.81</b> on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.
<b>Corsica School District 21-2</b>	<b>\$13,818.52</b> on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.
<b>Faith School District 46-2</b>	<b>\$2,763.70</b> on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.
<b>Gregory School District 26-4</b>	<b>\$13,818.52</b> on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.
<b>Kimball School District 07-2</b>	<b>\$13,818.52</b> on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.

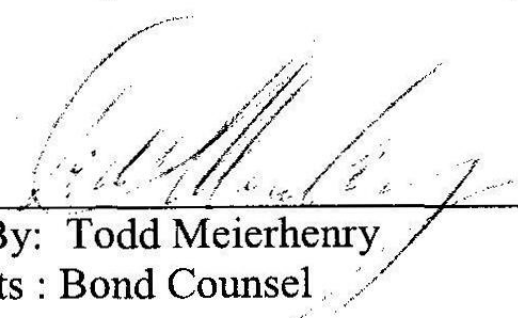
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Meade School District 46-1	\$13,818.52 on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.
Mitchell School District 17-2	\$9,672.96 on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.
White Lake School District 01-3	\$13,818.52 on June 29, 2006 and each June 29 thereafter through and including June 29, 2021.

9. Interest rate or rates, including total aggregate interest cost:

The Bonds do not bear interest because the Bonds are "qualified zone academy bonds" within the meaning of Section 1397E(d)(4) of the Code and the owners of the Bonds constituting "eligible taxpayers" within the meaning of Section 1397E(d)(6) of the Code will be entitled to claim a federal tax credit in each taxable year of such taxpayer on the outstanding principal amount of the Bonds owned by such eligible taxpayers on each anniversary date of the date of issuance of the Bonds as permitted by Section 1397E(d)(4) of the Code.

This is to certify that the above information pertaining to the Qualified Zone Academy Bonds, Series 2005, is true and correct on this 29<sup>th</sup> day of June 2005.

  
By: Todd Meierhenry  
Its : Bond Counsel

Form: SOS REC 050 08/84